

INFORMATION NOTICE

WORKFORCE SERVICES

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TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: LWIA ADVISORY COMMITTEE CONFERENCE CALL MINUTES—
JULY 20, 2007

The minutes from the Local Workforce Investment Area (LWIA) Advisory Committee conference call on Friday, June 20, 2007, are attached for your review and information. Please ensure that the minutes are provided to the appropriate staff.

If you have any questions regarding the minutes, please contact Terrietta Robinson at (916) 654-8035 or James W. Scholl at (916) 657-4610.

/S/ BILL BURKE
Assistant Deputy Director
Workforce Services Branch

/S/ BOB HERMSMEIER
Chief
Workforce Services Division

Attachment

LOCAL WORKFORCE INVESTMENT AREA ADVISORY COMMITTEE CONFERENCE CALL

Friday, July 20, 2007

Agenda

- | | | |
|---------|--|---|
| 10 a.m. | Welcome/Agenda Building/Hot Topics | Bob Hermsmeier/
Bill Burke, Workforce
Services Branch (WSB) |
| | <ul style="list-style-type: none">• Direct Employer Status• State Budget Update• Heroes at Home Grant• USDA Freeze Relief Grant• Annual Report on Participants/
Performance | |
| | CWIB Updates | Barbara Halsey,
California Workforce
Investment Board
(CWIB) |
| | <ul style="list-style-type: none">• SB 293• Waivers• Special Committees Update• State Plan• State Level One-Stop Certification• Cost Study• Update on Local Area Modification
Request• Regional Collaboration/Local Coordination
Incentive Awards | |
| | Discussion | |
| | <ul style="list-style-type: none">• TAA Workgroup Report | Liz Clingman, WSB |
| | <ul style="list-style-type: none">• DOL Monitoring of California | Jessie Mar, Program
Review Branch |
| | <ul style="list-style-type: none">• Funding Items<ul style="list-style-type: none">- WIA 25 Percent Additional Assistance
funds- Rapid Response Funds- WIA 15 Percent Fund Status | Bruce Stenslie,
California Workforce
Association |
| | <ul style="list-style-type: none">• Status on Facility Planning with Locals | Bill Burke, WSB |

LOCAL WORKFORCE INVESTMENT AREA ADVISORY COMMITTEE CONFERENCE CALL MINUTES

Friday, July 20, 2007

Welcome/Agenda Building/Hot Topics—Bob Hermsmeier/ Workforce Services Branch (WSB)

Finalizing Draft Directives—The Advisory Committee suggested that the State attach a listing of comments or summarize the comments received for Draft Directives that have been issued in final format.

Direct Employer Status—On June 30, 2007, the National Association of State Workforce Agencies struck an agreement with Direct Employers who will provide the labor exchange information which had previously been provided by America's Job Bank (AJB). The Direct Employers' Web page is www.jobcentral.com.

The Employment Development Department (EDD) is working closely with Direct Employers to quickly link the CalJOBS listings to their Job Central Web page. Additionally, the EDD has informed all the stakeholders (including employers) of the pending change. A system release is scheduled for August 2007 which will complete the change from AJB to Direct Employer.

Budget Update—The State Assembly has passed the State budget. However, the State Senate still has a number of unresolved issues before willing to pass the budget. As such, the EDD remains uncertain as to the status of the \$27.1 million that would come to EDD from the Contingent Fund.

On the national level, the House of Representatives 2008 Appropriations Bill proposes a \$335 million rescission to the Workforce Investment Act (WIA) program. The bill is moving forward and, if approved, California stands to lose about \$40 million which is approximately 11 or 12 percent of the State's current WIA authority.

Heroes at Home Grant—Kathy Castillo, WSB. As part of a Career Advancement Account Demonstration Grant, California has received \$2.5 million from the Department of Labor (DOL) for the Heroes at Home project. These funds were provided as one portion of a partnership between the DOL and the Department of Defense who is scheduled to match the \$2.5 million provided by the DOL. This initiative targets the spouses of active military personnel and injured veterans who have recently returned to the United States. In phone conversations with representatives from the DOL, it appears most funds provided to California for the project will be used in the San Diego area (Camp Pendleton).

US Department of Agriculture Freeze Grant—Jose Luis Marquez, WSB. The Supplemental Appropriations Bill dated May 25, 2007, contained a \$16 million line item to help farm workers affected by the freeze. The announcement of these funds is due to be published in a Federal Register Notification by the end of July. Upon receipt of any funding, the EDD expects the process for disbursement of funds to be similar to the Freeze Project of 1999 when the State provided direct support (food, rent, etc.) and a temporary jobs component. Upon receipt of funds EDD will also be asking for a needs assessment from the local areas that may be eligible to receive these grant funds.

Annual Report on Participants/Performance Reporting—Marc Wilson, WSB. Marc reminded the committee that WIA Information Bulletin [WIAB06-71](#) states that the Job Training Automation System will be locked to Individual Participant Data transmissions as of 8:00 am on July 30, 2007.

California Workforce Investment Board (CWIB) Updates—Ray York, CWIB.

Senate Bill (SB) 293—Planning meetings continue on the Partner Coordination Team (PCT) to consider ways of increasing their efforts to the next level in terms of developing the baseline analysis and strategies. The PCT would like to engage the CWIB and the Stakeholders on scenario planning. The PCT would also like to use the Meeting of the Minds conference as an opportunity to get local input into the process. In conjunction with these planning meetings, the PCT is looking at the possibility of holding special committee SB 293 update meetings in September.

Ray indicated the July 26, 2007, board meeting will focus on information updates or presentations that will look at the work of the Economic Strategy Panel. As part of the meeting, the CWIB will look specifically at the regional collaborative and cluster analysis methodology being used by Ed Kawahara and how it applies at the local level.

Waivers/State Plan—The Department of Labor (DOL) is wrapping up their comments to California's modified State Plan for Program Years 2007-09. The modified State Plan that was submitted included the extension of the five waivers previously granted by the DOL.

The sixth waiver that has been submitted to the CWIB is relative to the common measures waiver. The waiver has been finalized and all comments have been received. Ray stated he anticipates the CWIB will approve this waiver at the July 26, 2007, board meeting.

State Level One-Stop Certification—A request was submitted to the Labor and Workforce Development Agency for additional funding which will be used to provide training for the Local Workforce Investment Boards (LWIBs) relative to the One-Stop certification process. Once approval is received, the EDD will initiate an implementation process by asking for applications and identifying areas in need of technical assistance.

Cost Study—The case study report has been completed and sent to the State Steering Committee. Additionally, the CWIB anticipates the results of the data from the LWIBs' survey will be available in August. As such, the cost study report should be published

by September. Ray also mentioned that Rick Moore will be presenting some of his cost study findings at the Meeting of the Minds conference.

Update on Local Area Modification Request—The mergers of Torrance and Lomita to Greater Long Beach and Carson to South Bay have been completed. This change was signed by the Governor in late June and has reduced the number of Local Workforce Investment Areas (LWIA) from 50 to 49. The CWIB has also modified the State Plan to reflect the change.

Regional Collaboration/Local Coordination Incentive Awards—WIA Directive [WIAD06-23](#) was sent out on June 29, 2007. Applications for the Regional Collaboration and Local Coordination Incentive Awards are due August 13, 2007. Once received, the EDD anticipates the scoring and notification of the awards in late August.

Trade Adjustment Assistance (TAA) Workgroup Report—Bob Hermsmeier, WSB. The CWIB and EDD are working on a plan to integrate the existing TAA program into the One-Stop delivery system. As part of the plan the State formed a workgroup that consists of EDD, the CWIB, and five LWIAs. To date the workgroup has identified three options to integrate TAA:

- Give the LWIBs the option to take over the TAA program within their areas. The Wagner-Peyser program would administer the client services for any LWIA that didn't want to take over the program.
- Require the continuation of the existing infrastructure.
- Integrate the TAA into the existing workforce system which would require LWIBs to administer TAA in those areas where TAA is needed.

The workgroup remains operational and has not made any final decisions. However, they have blended their products into the integration model discussions that are being facilitated by Greg Newton. It was also mentioned that Stewart Knox has prepared a discussion paper for the CWA executive committee on the integration of TAA into the One-Stop delivery system.

Service Integration—Bob Hermsmeier, WSB. Greg Newton has been facilitating four integration work teams which are being led by members of the Local Workforce Investment Areas and by members of the Workforce Services Branch senior management team. The teams are discussing how to redesign the current workforce systems. The teams are focused on how to be more effective in the provision of services under the workforce programs within the State. Various models being discussed will be implemented via the learning lab concept. The new design strategies will serve common pools of customers and assess everyone who comes into a One-Stop. Currently, there are 15 LWIAs that have volunteered to participate in the learning labs.

DOL Monitoring of California—Jessie Mar, Program Review Branch.

Program Reviews: In December of 2006, the DOL completed a review of the WIA, Wagner-Peyser, Unemployment Insurance, TAA, Migrant and Farm Worker, and Work Opportunity Tax Credit programs. As part of their review, the DOL also looked at the financial and administrative portion of EDD and how EDD administers each of the programs. The DOL identified a number of issues and the State then submitted a corrective action plan. However, the DOL has notified EDD that many of the issues remain open and, as such, will be meeting with the State to go over the open issues. Based on the DOL's findings, the monitors are now looking at those LWIAs which had deficiencies in the reporting of administrative expenditures and the procurement of services.

Premises: Another issue from DOL's review was the amount of idle and unused space throughout the State. Jessie noted idle space was generally caused by the consolidation of offices or by partners moving out of a location. She advised the committee that monitors will be making an assessment on what is truly considered unused space and what is not. For example, the monitors are not looking at empty cubicles unless the cubicles occupy a significant amount of space. If there is significant unused space for approximately a year, then the monitors will review the plans that have been developed to occupy that space. If there are no plans in place, then monitors will identify it as an issue so that the LWIA can respond.

Executive Salary Maximums: On June 15, 2006, federal legislation was enacted that placed a cap on the amount of money executives are paid from employment training funds. With enactment of this legislation, the Office of Inspector General then sent a survey to all LWIAs asking them to identify the salary levels for their highest paid executives. The results of the survey revealed that some executive salary levels did exceed the maximum amount allowed by the new cap.

A member of the advisory group asked how fringe benefits were calculated into the salary levels and whether the analysis was consistent with other states. Jesse noted the calculation method for the salary cap was included in WIA Directive [WIAD06-18](#) dated May 2, 2007. She also advised the group that the methodology had been discussed in a DOL Webinar which specifically addressed the new salary cap. After considerable discussion a committee member proposed the topic of salary caps be discussed separately with Jessie and the outcome shared with the LWIA Advisory Committee at a later date.

Funding Items—Bruce Stenslie, CWA and Bob Hermsmeier, WSB

WIA 25 Percent Additional Assistance Funds— Bob stated that in the past the EDD has been successful in having WIA 25 percent proposals approved by having all the necessary data elements included in funding packages prior to the package being sent to the Labor and Workforce Development Agency for approval. Although successful, Bob noted this process can be lengthy, which has caused concerns by some who have submitted requests for funding. Given these concerns, the EDD is considering ways to speed the process, such as submitting requests without waiting for local areas to provide EDD with all the data elements typically included in a funding package. However, it was noted this new process may cause some requests to be denied.

A member of the committee asked about the modification process for WIA 25 percent discretionary awards. Specifically, they asked, how does the recipient of a grant request a modification if circumstances require that they need to amend costs within the project? Bob indicated WIA Directive [WIAD05-8](#) details the process for submitting modifications. He also noted some modifications require Labor and Workforce Development Agency approval.

Rapid Response Funds—Bob Hermsmeier, WSB. Bob advised the committee there is approximately \$3 million available for Rapid Response special project awards in SFY 2007-08. He noted these awards should be announced in August 2007 with the funds distributed by December 31, 2007.

WIA 15 Percent Fund Status—Bob Hermsmeier, WSB. The status of the WIA 15 percent account is contingent on what happens with the State budget.

Status on Facility Planning with Locals—Bob Hermsmeier, WSB. Facility planning is being handled on a case-by-case basis between the Department's Field Division Chiefs and the Local Workforce Investment Area Administrators. The State will disseminate more information as it becomes available.